



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Scott E. Thomas, Esq.  
Blank Rome, LLP  
1825 Eye Street, NW  
Washington, DC 20006-5403

**JUN 15 2016**

RE: MUR 6494  
Turkish Coalition of America, Inc.  
G. Lincoln McCurdy

Dear Mr. Thomas:

On June 10, 2016, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 52 U.S.C. § 30118(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Christine C. Gallagher".

Christine C. Gallagher  
Attorney

Enclosure  
Conciliation Agreement

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i) (formerly 2 U.S.C. § 437g(a)(4)(A)(i)).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. TCA is a Massachusetts corporation organized under section 501(c)(3) of the Internal Revenue Code. TCA is a corporation within the meaning of 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)). G. Lincoln McCurdy ("McCurdy") is the president of TCA.

2. The Turkish American Legal Fund ("TALDF") is a division of TCA. TALDF is run by lawyers Bruce Fein and David Saltzman. Fein, Saltzman, McCurdy, and TCA's vice president and chairman pre-approve all new TALDF legal matters.

3. TCA funds TALDF from its general budget. TALDF does not charge its clients for legal services. Lawyers who work for TALDF submit invoices to TCA for the legal work TALDF performs and TCA pays the lawyers directly for that work.

4. David Krikorian and Jeannette Schmidt were opponents in the 2008 general election for the House seat in Ohio's Second Congressional District. Days before the election, Krikorian distributed a two-page communication asserting that Schmidt "has taken \$30,000 In Blood Money to Deny the Genocide of Christian Armenians by Muslim Turks" and urging voters to "SAY NO TO JEAN SCHMIDT."

5. Schmidt and her congressional chief of staff, Barry Bennett, each discussed the communication with McCurdy. As a result of his discussions with Schmidt and Bennett, McCurdy requested that TALDF's lead counsel, Bruce Fein, meet with Schmidt and Bennett to discuss filing a complaint against Krikorian with the Ohio Elections Commission.

6. TALDF ultimately represented Schmidt and/or the Committee in four legal proceedings starting in 2008 and continuing through 2011, including the initial complaint before the Ohio Elections Commission, Krikorian's appeal of the Ohio Elections Commission's ruling, a federal suit challenging the constitutionality of the Ohio Elections Commission, and Schmidt's state defamation suit against Krikorian.

7. TCA paid the TALDF lawyers directly for the legal services and expenses incurred on behalf of Schmidt and/or the Committee. TCA paid the TALDF lawyers \$3,905 in 2008; \$289,280 in 2009; \$205,401 in 2010; and \$152,658.29 in 2011. McCurdy, as the president of TCA, approved all payments to the TALDF lawyers for the legal representation of Schmidt and/or the Committee.

8. Neither Schmidt nor the Committee paid for these legal services at the time they were provided. However, on August 5, 2011, Schmidt paid \$42,812 for her representation as an *amicus curiae* in the federal suit challenging the constitutionality of the Ohio Elections Commission.

9. Respondents contend that the only legal services provided by TCA/TALDF attorneys that were provided within five years of this conciliation agreement were those related to the defamation lawsuit initiated in Ohio by then-Rep. Jeannette Schmidt against David Krikorian and Krikorian for Congress Committee. The suit was filed on June 8, 2010, after David Krikorian had been defeated in his primary campaign to oppose Rep. Schmidt. The defamation complaint sought damages for various statements made by Krikorian over the course of 2009 (for example, an August 27, 2009 interview statement that "Schmidt is bought and paid for by the Turkish lobby ..." and a September 2009 statement that "the current representative of Ohio's second congressional district, is a paid puppet of the Turkish government in their denial campaign to suppress the truth about the Armenian genocide"). According to the complaint, the statements "adversely affected the Plaintiff's professional credibility, speaking, writing, interview, media, and fundraising opportunities, causing Plaintiff Schmidt psychological trauma and suffering and monetary losses." Respondents further contend, for the purposes of reaching a conciliation agreement, that the value of the legal

services provided by Respondent TCA for this defamation litigation within five years of this agreement, is estimated at \$250,000.

10. The Act prohibits corporations from making any contribution in connection with a Federal election. 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)).

11. The Act also prohibits any officer or director of a corporation from consenting to the making of corporate contributions. 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)).

12. The term "contribution" includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 52 U.S.C. § 30101(8)(A)(i) (formerly 2 U.S.C. § 431(8)(A)(i)); 11 C.F.R. § 100.52(a). A "contribution" also includes the "payment by any person of compensation for the personal services of another person which is rendered to a political committee without charge for any purpose." 52 U.S.C. § 30101(8)(A)(ii) (formerly 2 U.S.C. § 431(8)(A)(ii)).

13. Respondents contend that they had a good faith misunderstanding, based in part on communications from Rep. Schmidt's staff, that the provision of TALDF legal services was permissible under applicable ethics rules and the Act.

V. Solely to resolve this matter and avoid time-consuming and expensive litigation, with no admission as to the merit of the Commission's initial

legal conclusions or as to any other claim in any other proceeding, Respondents agree:

1) not to contest the Commission's initial finding that there is reason to believe Respondents made corporate in-kind contributions in violation of 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a));

2) not to undertake materially indistinguishable legal support functions without getting prior approval from the FEC and any ethics office with appropriate jurisdiction;

3) not to violate 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)) in the future;

4) to pay a civil penalty of Twenty-Five Thousand Dollars (\$25,000) pursuant to 52 U.S.C. § 30109(a)(5)(A) (formerly 2 U.S.C. § 437g(a)(5)(A)).

VI. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) (formerly 2 U.S.C. § 437g(a)(1)) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

VIII. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

IX. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either

written or oral, made by either party or by agents of either party that is not contained in this  
written agreement shall be enforceable.

FOR THE COMMISSION:

6-14-16  
Date

BY: Kathleen M. Guith  
Kathleen M. Guith  
Acting Associate General Counsel  
for Enforcement

FOR THE RESPONDENTS:

2/23/16  
Date

BY: Scott E. Thomas  
Name: Scott E. Thomas  
Position: Counsel of Record